

February 4, 2013

IOWA BULLETIN NO. IA300-13-1

**SUBJECT: LTP – EQIP GUIDANCE TO SUPPORT GREENHOUSE GAS
CONSERVATION INNOVATIVE GRANT PROJECTS DURING
FISCAL YEAR 2013**

PURPOSE. To provide guidance on support for Greenhouse Gas (GHG) Conservation Innovative Grant (CIG) projects for fiscal year (FY) 2013.

EXPIRATION DATE. September 30, 2014

In FY2011, nine (9) CIGs were awarded to entities through-out the country for projects to address GHG resource concerns and promote carbon sequestration on America's private lands. The purpose of these grants is to support large-scale demonstration projects that will stimulate the development, adoption, and evaluation of innovative approaches and technologies related to GHG credit trading systems. Funding to support CIG is through the EQIP.

In addition to the funding provided directly to CIG grant recipients, the Acting Chief of NRCS has reserved \$10 million of EQIP financial assistance (FA) nationally to support projects where eligible producers will implement GHG benefiting conservation practices that compliment and support the GHG CIG projects. Agricultural producers located in approved CIG project areas may be eligible to submit applications to help implement GHG related conservation practices. In addition, applicants must meet producer, land, and other EQIP eligibility requirements.

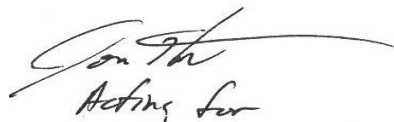
In Iowa, The Fertilizer Institute was approved for this grant. The project name is "Smart Nitrogen Application Program Demonstration Program Project." The Fertilizer Institute will work with approved applicants to gather information to test and analyze how improved conservation practices primarily nutrient management that reduce greenhouse gas emission may be quantified for potential future emissions trading markets. Theo Gunther, Agronomic Project Coordinator, is the contact for The Fertilizer Institute. His contact information is:

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Iowa NRCS has requested an allocation of \$400,000 for FY2013 for this project that will be offered statewide. Potential applicants are encouraged to sign EQIP applications at the local NRCS field office. The normal EQIP application process will be followed. Conservation Activity Plans (CAPs) may not be offered for financial support through GHG EQIP projects. The first application cutoff date is February 15, 2013, and a second application cutoff date has been set for March 15, 2013.

We are required to use the attached Pre-screening Tool on applications for this project.

The sub account in ProTracts for EQIP is named "GHG-CIG." When completing ranking for applicants only evaluate Question 4 (Clean Air) and Question 8 (Energy Conservation) in the national priorities section of the ranking questions; all other national questions must be answered "No." State and local ranking questions are entered into ProTracts for this sub account. Use the existing Practice Scenarios for initiative payment rates for these applications.

A handwritten signature in black ink, appearing to read "Jay T. Mar", with the words "Acting for" written below it in a smaller, cursive script.

Jay T. Mar
State Conservationist

Attachments

- GHG-CIG Pre-screening Tool
- GHG-CIG Practice List
- GHG CIG Fact Sheet
- GHG-CIG State and Local Ranking Questions